

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER COMPANY and IES UTILITIES INC.	DOCKET NOS. ARC-01-150 ARC-01-151
------------------------------------------------------------------	--------------------------------------

ORDER GRANTING MOTION TO COMPEL DISCOVERY

(Issued July 27, 2001)

On July 16, 2001, the Large Energy Group Intervention Alliance (LEGIA) filed with the Utilities Board (Board) a motion to compel responses by Interstate Power Company (Interstate) and IES Utilities Inc. (IES) to data requests 12, 13, 14, 15, 18, 19, and 20 that were served on Interstate and IES on June 8, 2001. LEGIA filed copies of the disputed data requests on July 20, 2001, and said that a supplemental response to request number 18 had been received from Interstate and IES that may resolve the dispute on that request. LEGIA subsequently informed Board's counsel the dispute over request number 18 had been resolved. Interstate and IES filed an answer to the motion to compel on July 25, 2001.

The data requests all relate to interruptions experienced by interruptible customers of IES and Interstate in May 2001. Request number 12 relates to the impact of IES' and Interstate's change in power pools; request number 13 seeks to determine why Interstate and IES had interruptions while the state's other investor-owned utility, MidAmerican Energy Company, did not; request number 14 seeks a

similar comparison with Alliant East and Wisconsin Power and Light; request number 15 seeks information on the role the Mississippi River may have played as a transmission constraint; request number 19 seeks information on the role power pool policies play in determining whether to interrupt customers; and request number 20 seeks information on possible alternative sources of power. IES and Interstate are utility subsidiaries of Alliant Energy (Alliant), and LEGIA states that it believes Alliant's fuel procurement, contracting, and joint planning practices make interruptions more likely in Iowa than other practices might and that it is entitled to discovery of these issues.

In their response, IES and Interstate argue the requested information is not relevant to the types of information required to be provided under the Board's rules or the additional information sought by the Board in its January 19 and February 23, 2001, orders in these dockets. IES and Interstate note these proceedings are "for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's fuel procurement and contracting practices..." 199 IAC 20.13(1). IES and Interstate contend these data requests do not involve fuel procurement and contracting practices because the May 2001 interruptions were not caused in any part by fuel supply issues at any of IES' and Interstate's electric generating stations.

Discovery rules available to parties in civil cases are available before the Board in contested cases. Iowa Code § 17A.13(1). Pursuant to Iowa Rules of Civil Procedure 121 and 122, the scope of discovery is broad as long as it is relevant to the subject matter. Rule 122(a) provides, in part, that "[i]t is not ground for objection

that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence."

The data requests satisfy the standard contained in the Iowa rules. Certainly, power pool policies and transmission constraints may impact fuel procurement and contracting practices. Information of Alliant's Wisconsin utility is also relevant because it is part of Alliant's integrated planning and procurement process. Information on why IES and Interstate experienced problems but Iowa's other investor-owned utility did not may provide information on how IES' and Interstate's procurement and contracting practices could be improved. All of the data requests are relevant, or could lead to the discovery of relevant evidence, with respect to IES' and Interstate's fuel procurement and contracting practices.

In addition, the Board notes that the docketing order issued June 19, 2001, states that the Board is examining other issues in this proceeding in addition to fuel procurement and contracting, including whether Alliant's contracting practices have violated a rate freeze and whether an adjustment should be made to reflect capacity costs for long-term contracts that are expiring. Some of the data requests may be relevant to these issues also.

IT IS THEREFORE ORDERED:

The motion to compel discovery filed by the Large Energy Group Intervention Alliance on July 16, 2001, except for request number 18, is granted.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper

Acting Executive Secretary

Dated at Des Moines, Iowa, this 27th day of July, 2001.